SINGH): (a) to (e) The Targeted Public Distribution System (TPDS) was introduced *w.e.f.* June, 1997 and covers 6.52 crores Below Poverty Line (BPL) families which includes 2.50 crore Antyodaya Anna Yojana (AAY) families and 11.52 crore Above Poverty Line (APL) families based on poverty estimates of the Planning Commission for year 1993-94 on the population projections of Registrar General Census as on March 2000. A National Sample Survey Exercise points towards the fact that about 5% of the total population in the country sleeps without two square meals a day. This section of the population can be called as "hungry". In order to make TPDS more focused and targeted towards this category of population, the "Antyodaya Anna Yojana" (AAY) was launched in December, 2000 covering one crore poorest of the poor families amongst the BPL families under TPDS and providing them foodgrains at a highly subsidized rate of Rs. 2/- per kg. for wheat and Rs. 3/- per kg. for rice. Sunsequently the scheme AAY has been expanded thrice and it cover 2.50 crore families as on date. The Central Government is allocating foodgrains at the scale of 35 Kg. per family per month under Targeted Public Distribution System (TPDS).

No starvation death has been reported by any State Government. In some of the recent judgements delivered by Supreme Court indicates that 'right to life' also includes 'right to food'. Therefore, there apepars to be no need to make any amendment in the Constitution.

PDS is supplemental in nature and cater to approximately 50% of the foodgrains requirements every month of an average BPL household. There are also several welfare schemes, adopting a life cycle approach, where in foodgrains are distributed to the intended beneficiaries.

Recently a revised Village Grain Bank Scheme has been introduced in food scarce areas like the drought prone areas, the hot and cold desert areas, tribal areas and the inaccessible hilly areas to cater to the food requirement during the period of natural calamity or during lean season.

Cost of handling of foodgrains

2617. SHRI MOTIUR RAHMAN: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the cost of handling of foodgrains by public agencies is very

high and Government spend Rs. 3.65 through budgetary food subsidy to transfer Rupee one to the poor;

(b) if so, the measures taken to reduce the cost of transferring grains through PDS;

(c) whether 58 per cent of the subsidized foodgrains issued from Central Pool do not reach the BPL families and the same is diverted from Fair Price Shops to the open market; and

(d) if so, the action taken to check the diversion of foodgrains?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) No, Sir. The cost of handling of foodgrains by Food Corporation of India (FCI) as a percentage to the total food subsidy incurred is around 7%.

(b) To further reduce the handling cost; FCI has, *inter-alia*, taken/proposed the following measures:

(i) Reduction of surplus labour strength through implementation of Voluntary Retirement Scheme (VRS).

(ii) Redeployment of labour from surplus areas to deficit areas.

(iii) Revision of handling norms.

(c) and (d) An evaluation study of Targeted Public Distribution System (TPDS) conducted by the Programme Evalution Organization covering eighteen major States has observed that only about 42% of subsidized grains issued from the Central Pool reaches the target group. Over 36% of the budgetary subsidies on food is siphoned off the supply chain and another 21% reaches the APL households. However, the report is based on old primary data of 2001-2002, as several changes like introduction of Antyodaya Anna Yojana (AAY), change in the scale of issue, etc. have taken place since then, it is difficult to totally rely on this report.

The Government is taking necessary steps to curb diversion/leakage of TPDS foodgrains. A system to monitor distribution of foodgrains and other goods being distributed under PDS is already in place. Under the system, the responsibility for distribution of foodgrains and other goods through PDS outlets lies with the respective State Governments. However, after consulting all the State Food Ministers/Food Secretaries, an Action Plan has been prepared and on ways to curb leakages/diversions under TPDS.

The Action Plan contains the following points:

1. States should undertake a campaign for Review of BPL/AAY lists, to eliminate ghost ration cards.
2. Strict action should be taken against the guilty to ensure leakage free distribution of foodgrains. In this respect information asked for under clause 8 & 9 of PDS Control Order, may also be sent.
3. For sake of transparency involvement of elected PRI members in distribution of foodgrains be ensured. As far as possible, FPS licences be given to SHGs, gram panchayats, cooperatives, etc.
4. BPL/AAY lists should be displayed on all FPSs.
5. District-wise and FPS-wise allocation of foodgrains should be put up on websites and other prominent places, for public scrutiny.
6. Wherever possible, door step delivery of foodgrains should be ensured by States, instead of letting private transporters/wholesalers to transport goods.
7. Timely availability of foodgrains at FPS level and fixed dates of distribution to ration card holders should be ensured.
8. Training of members of FPS level Vigilance Committees shuld be ensured. Proposals for funding training can be sent to the GOI.
9. Computerisation of TPDS operations be undertaken.

In addition, the Government has also taken steps for introducing electronic transfer of funds to FCI and issued instructions for display of Banners/Boards on the wind shield as well as rear end of the truck/vehicles carrying PDS articles indicating name of State Government, destination, commodity and Agent's name.

Difference between production cost and retail price of iodised salt

†2618. SHRI RAM JETHMALANI:
DR. MURLI MANOHAR JOSHI:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

†Original notice of the question was received in Hindi.